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ABSTRACT

This report submitted to the Congress from the Committee on Human Resources contains the Career Education Incentive Act, a bill which provides federal financial incentives to states to develop, implement, and strengthen career education programs. A summary of the bill follows a chronological review of the legislation's consideration in Congress. Also presented are the committee's views, including the following information: definition of career education; need for career education; history of career education; accomplishments of career education; and need for more extensive federal support. The provisions of the bill are explained under the following categories: purpose, authorizations, allotments, within-state distribution, applications, state plan, use of funds, model programs, career education information, evaluation, postsecondary education demonstration projects, payments, administration, and definitions. Cost estimates are given, and regulatory impact evaluation is explained. The votes the bill received in the committee are designated, and a section-by-section analysis of the bill's sixteen sections is presented. Finally, changes in the existing law (Education Amendments of 1974, Title IV, Section 406) are described. (BM)

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95TH CONGRESS, 1st Session } SENATE { REPORT No. 95-498

CAREER EDUCATION INCENTIVE ACT

OCTOBER 17 (legislative day OCTOBER 11), 1977.—Ordered to be printed

Mr. HATHAWAY, from the Committee on Human Resources, submitted the following

REPORT

[To accompany S. 1328]

The Committee on Human Resources, to which was referred the bill (S. 1328) to provide Federal financial incentives to States to develop, implement, and strengthen career education programs, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

I. CONSIDERATION OF LEGISLATION

On April 20, 1977 Senator Hathaway introduced the Career Education Implementation Incentive Act of 1977, S. 1328.

The Subcommittee on Education, Arts and Humanities held two days of hearings on S. 1328 on June 6, 1977 in Portland, Maine, and on June 14, 1977 in Washington, D.C.

On August 5, 1977 Senator Hathaway introduced Amendment Number 825, an amendment in the nature of a substitute to S. 1328, incorporating many of the changes and suggestions made during the two days of hearings.

This bill was subsequently reported unanimously by the Subcommittee on Education, Arts and Humanities, and was considered in open executive session on September 30 by the Human Resources Committee, amended further, and ordered reported favorably to the Senate. The bill is cosponsored by Senators Williams, Randolph, Pell, Kennedy, Nelson, Eagleton, Cranston, Riegle, Javits, Schweiker, Stafford, Hatch, Chafee, and Hayakawa.

II. SUMMARY OF THE BILL

The Career Education Incentive Act provides Federal funds to State and local educational agencies to implement comprehensive

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career education programs in elementary and secondary schools. The bill also provides Federal funds to postsecondary institutions of higher education, to public agencies, and to private nonprofit entities for the purpose of career education demonstration projects at the postsecondary level.

The purpose of the legislation is to insure that, at every level, education will be more closely related to the world of work and to the career preferences of individuals by providing students with greater awareness of the range and potential of occupations and professions. The bill promotes, through the States, exploration, decisionmaking, and planning skills regarding career opportunities and requirements. In this way, the bill is intended to secure equal vocational and occupational opportunity among all students with particular attention to the elimination of bias and stereotyping on account of race, sex, age, economic status, or handicap.

The legislation is intended by the committee to be a significant innovation and reform in the delivery of educational services to school students and their families. It is intended to enrich basic education and promote educational self development by relating standard curriculum to the life aspirations of students, and the richness and diversity of working opportunities of the community and Nation. The committee is cognizant that the innovation is desirable and feasible. It is expected that it will be broadly incorporated and utilized by teachers, school authorities and higher educational institutions offering courses of teacher preparation.

The bill calls for a short-term commitment of Federal funds to elementary and secondary career education implementation which will peak and then decline over its five year life. At the end of this time frame, all Federal involvement will cease, and career education programs are intended to be conducted solely with State and local resources.

For elementary and secondary programs, the authorization levels are as follows: $50 million in fiscal year 1979, $100 million in fiscal year 1980 and 1981, $50 million in fiscal year 1982, and $25 million in fiscal year 1983. Over this period the required commitment of State and local funds will gradually increase. From these funds, 5 percent is reserved for administration at the Federal level and for model programs, 1 percent for evaluation, and 1 percent for career education information. Subject to these reservations the remaining Federal funds are allotted to the States on the basis of 5- 18-year-old population, except that each State shall receive a minimum of $125,000 annually provided it fulfills other Federal requirements.

The bill requires each State, except for minimum allotment States, to use not more than 25 percent of the funds it receives in fiscal year 1979 for State administration and leadership activities, and not more than 15 percent for such purposes during the remaining period of Federal participation. The balance of Federal funds must be distributed to local educational agencies. States, except minimum allotment States, are required to employ designated personnel to administer the career education program, and are strongly encouraged to employ other personnel. Minimum allotment States are granted the discretion to utilize Federal funds received as they see fit, provided such uses comply with the requirements of the bill. All States are required to

provide increasing percentages of non-Federal funds over the 5 years of the bill.

Permissible State level uses include the conduct of inservice training institutes for teachers, the dissemination of career education materials, the conduct of State-level evaluation, the collaboration with various elements of State and local communities, and the modification of teacher-training curricula.

Uses by the local education agencies include instilling career education concepts into the classroom, implementing comprehensive career guidance and counseling programs, fostering collaborative relationships with various elements of the local community, implementing work experience programs, employing local coordinators, providing inservice training, conducting institutes for parents, members of school boards and community leaders, purchasing materials, operating career education resource centers, and conducting evaluations.

Each State applying for funds is required to submit annual applications, a one-time State plan, and subsequent amendments to the plan as necessary. The State Educational Agency is the administering agency for career education programs funded under the provisions of this legislation.

The bill also provides an annual authorization of $15 million for postsecondary education demonstration projects, through grants, contracts, or other arrangements to postsecondary institutions, public agencies, or private nonprofit entities such projects must have national significance or unusual promise in promoting career education at the postsecondary level.

The bill requires annual evaluation by the Commissioner of Education to determine those methods of career education that best fulfill the broad purposes of the act, that best promote career skills, that eliminate stereotyping, and that do so on the most cost-effective basis.

The Office of Career Education in the U.S. Office of Education is the administering unit at the Federal level. The National Institute of Education and the National Advisory Council on Career Education are encouraged to continue their prior efforts in career education.

III. Committee Views

A. Background—What is Career Education?

There are a number of definitions for "career education," but each of them is intended to define a concept and a strategy for addressing a fundamental problem—the lack of adequate career orientation in many traditional educational programs and institutions and the need for more such orientation and focus, both now and in the future. The committee therefore is less concerned with a specific definition than in providing states and localities with means and methods for coping with and counteracting this problem. In noting the problem, however, the committee wishes to stress that it is cognizant of and agrees with the proposition that education has an inherent value to the individual and to society as a whole, by fostering self-fulfillment through increasing awareness of collective human knowledge and experience. At the same time, the committee believes that this overall goal would be com-

plemented by relating educational activities of students while in school with their educational needs when they leave school.

The committee believes that several of the definitions and statements put forth recently in this area are worth consideration in the light of its legislative proposals. For example, the Council of Chief State School Officers has approved the following tentative definition of career education:

> Career education is essentially an instructional strategy, aimed at improving educational outcomes by relating teaching and learning activities to the concept of career development. Career education extends the academic world to the world of work. In scope, Career education encompasses educational experiences beginning with early childhood and continuing throughout the individual's productive life. A complete program of Career education includes awareness of self and the world of work, broad orientation to occupations (professional and nonprofessional), in-depth exploration of selected clusters, career preparation, an understanding of the economic system of which jobs are a part, and placement for all students.

The National Advisory Council on Career Education has endorsed the definition of career education found in the Office of Education Policy Statement on Career Education which defined the term as follows:

> Career education is the totality of experiences through which one learns about and prepares to engage in work as part of her or his way of living.

In the Special Projects Act, part of the Education Amendments of 1974 (Public Law 93–380), Congress defined career education as follows:

> The term "career education" means an education process designed—
>
> (1) To increase the relationship between schools and society as a whole;
>
> (2) To provide opportunities for counseling, guidance and career development for all children;
>
> (3) To relate the subject matter of the curricula of schools to the needs of persons to function in society;
>
> (4) To extend the concept of the education process beyond the school into the area of employment and the community;
>
> (5) To foster flexibility in attitudes, skills, and knowledge in order to enable persons to cope with accelerating change and obsolescence;
>
> (6) To make education more relevant to employment and functioning in society;
>
> (7) To eliminate any distinction between education for vocational purposes and general or academic education.

B. THE NEED FOR CAREER EDUCATION

A number of criticisms have been leveled at our educational system from a variety of sources. A large number of them center around the failure of education to relate more satisfactorily to the world of work and to career needs. The National Advisory Council on Career Education, established by Section 406 of the Special Projects Act, has summarized these criticisms as follows:

1. Too many persons leaving our educational system are deficient in the basic academic skills required for adaptability in today's rapidly changing society.

2. Too many students fail to see meaningful relationships between what they are being asked to learn in school and what they will do when they leave the educational system. This is true of both those who remain to graduate and those who drop out of the educational system.

3. American education, as currently structured, best meets the educational needs of that minority of persons who will someday become college graduates. It fails to place equal emphasis on meeting the educational needs of that vast majority of students who will never be college graduates.

4. American education has not kept pace with the rapidity of change in the postindustrial occupational society. As a result, when worker qualifications are compared with job requirements, we find over-educated and under-educated workers present in large numbers. Both the boredom of the over-educated worker and the frustration of the under-educated worker have contributed to growing worker alienation in the total occupational society.

5. Too many persons leave our educational system at both the secondary and collegiate levels unequipped with the vocational skills, the self-understanding and career decisionmaking skills, or the work attitudes that are essential for making a successful transition from school to work.

6. The growing need for and presence of women in the work force has not been reflected adequately in either the educational or the career options typically pictured for girls enrolled in our educational systems.

7. The growing needs for continuing and recurrent education of adults are not being met adequately by our current systems of public education.

8. Insufficient attention has been given to learning opportunities which exist outside the structure of formal education and are increasingly needed by both young and adults in our society.

9. The general public, including parents and the business-industry-labor community, has not been given an adequate role in formulation of educational policy.

10. American education, as currently structured, does not adequately meet the needs of minority or economically disadvantaged persons in our society.

11. Post high school education has given insufficient emphasis to occupational educational programs in harmony with academic programs.

The committee believes each of these criticisms has some validity, and notes a number of disturbing statistics and phenomena which lend support and credence to such criticisms.

Although the average American already changes careers five to seven times in the course of his or her working life, a February 1977 study of the National Assessment of Education Progress showed that of 17-year-olds surveyed, only 36 percent could correctly complete a job application and only 54 percent could identify correctly the training and qualifications required for certain occupations. An HEW-commissioned study indicated that perhaps as many as one in five adults is functionally illiterate in basic coping skills necessary to perform simple daily tasks.

The American College Testing Program Assessment found that 78 percent of 11th grade students indicated a need for increased career guidance and counseling assistance. Over three-fourths of all secondary school students are enrolled in a college preparatory course of study while only 2 out of every 10 jobs between now and 1980 will require a college degree. Data indicate that one-fourth of a typical high school class drops out before graduation and 50 percent of those who enter college do not receive a bachelor's degree.

Current unemployment levels among all teenagers, and particularly among black teenagers, are at intolerably high levels. August 1977 statistics showed unemployment among teenagers was 17.5 percent and among black teenagers was 40.4 percent.

An analysis of unemployment figures in the spring of 1977 showed that over 3 million Americans between the ages of 16 and 24 were unemployed. This total represented half of the Nation's unemployment at that time, and offers further evidence that this age group is unskilled and unprepared for the job market.

A Rhode Island study found that although there are over 30,000 job titles, most young people could barely identify 100 jobs. The chamber of commerce testified before the committee that in 1930 approximately 30 percent of all jobs were unskilled, but that today only 5 percent fit this characteristic. The chamber further predicted that of the youngsters first entering school today two out of three will when they enter the labor market take jobs which don't now exist.

At the postsecondary level of education, students and their families often devote a great deal of financial resources and years of effort toward achieving certification and training to engage in particular professions and occupations only to find out at the conclusion of such activity that realistic opportunities either do not exist, and may in fact never have existed, or that they are inadequately qualified to achieve their goals.

In making these observations, the committee in no way wishes to denigrate the value of the pursuit of higher education in terms of self-fulfillment. It notes at the same time, however, a 1972 Gallup poll which found that, when asked why they wanted their children to "get an education," 44 percent of the parents responded, "to get better jobs" and 38 percent said "to make more money, achieve financial success." Given this expectation from education, the results have often

been disappointing, both from the perspective of parents and students.

For example, a Department of Labor study found that of the 55,000 students graduating from college with bachelor's degrees in psychology last spring, only 4,500 would find jobs related to their field. Similar, though not quite so dramatic examples could be found with regard to students who study law and other fields. At the same time, opportunities are readily available in other fields such as health-allied paraprofessional fields, but often go unfilled, to the detriment of society as a whole.

The committee recognizes that all of these phenomena are not the result of any failure of education but rather are symptomatic of more widespread changes in our society as a whole, which education by itself may be unable to rectify. Further, these examples do not lead to a conclusion that educational systems are necessarily doing a worse job than in the past, but rather are more likely the result of an overall situation that requires more from education at every level in our rapidly changing society.

In approving this legislation calling for implementation of career education at the elementary and secondary levels and demonstration at the post-secondary levels, the committee does not expect all of these difficulties and market misallocations to disappear. Further, it does not intend career education to push students out of unpromising or unlikely career pursuits through any sort of mandatory procedure of allocating slots or determining occupational quotas. To do so would clearly be contrary to principles of freedom of choice and equality of opportunity.

On the contrary, the committee intends through career education to open opportunities and broaden awareness among students of all ages, and particularly among students who in the past have been victimized by stereotyping or bias in terms of perceived career opportunities.

But at the same time the committee believes that providing all studdents with a much more complete picture of available career options, with a clearer understanding of the range and opportunity within those options, and with the skills and awareness to competently pursue those options, can only serve to minimize individual disappointment and misdirection, and thereby promote successful pursuit of individual career preferences.

C. HISTORY OF CAREER EDUCATION

Career education in the form we know it today had its inception as a formal educational program in the late 1960's. At the beginning of the current decade, it was given a high priority among federally funded educational research programs by U.S. Commissioner of Education Sidney P. Marland.

In enacting the Vocational Educational Amendments of 1968 (20 U.S.C. 1241 et seq.) Congress first emphasized the need to bridge a gap that was felt to exist between education and work. Early in 1971, Commissioner Marland coined the term "career education" and elevated it to the status of major educational reform.

The Education Amendments of 1972 established the National Institute of Education—NIE—as separate from the Office of Educa-

tion—OE—and both agencies adopted career education as a priority item. In the case of NIE, career education research was written into its enabling legislation. In OE, the first career education research and development programs were funded under parts C and D of the Vocational Education Act, and new statutory authority was created by the Special Projects Act as part of the Education Amendments of 1974 (Public Law 93-380), which authorized additional demonstration programs and created within OE an Office of Career Education.

Funding history of career education

Federal funds allocated for research and demonstration under the various statutory authorities are as follows:

The Vocational Education Act

Prior to its amendments in Public Law 94-482, part C of this act authorized projects for research and training, and part D authorized model programs and projects. Under these authorities, over 100 research and model career education projects have been established at local education agencies—LEA's—in the 50 States. A 1976 GAO study could find no apparent distinctions between projects funded under part C and those using part D dollars.

During fiscal years 1972-75, OE obligated approximately $36 million to the States under part C and about $38.5 million under part D for career education programs. In fiscal year 1976 these programs we cut back considerably, with no funds spent under part C and only $8 million under part D for career education.

NIE expenditures

Beginning in mid-1971, OE initiated four multiyear career education projects under the authority of the Cooperative Research Act. In August 1972, these were transferred to NIE. Through fiscal year 1975, NIE estimates that approximately $42 million of its appropriations were allocated to the four projects.

In addition, NIE has taken on several projects initially started up by OE under its educational laboratory and research and development center programs, spending $7.6 million through fiscal year 1975. Finally, NIE had originated 85 new career education projects of its own through the end of fiscal year 1975, spending another $7.6 million. Approximately $14 million was spent on all NIE career education projects in fiscal year 1976, and an equal amount is estimated for fiscal year 1977.

Office of Career Education

The third major source of Federal career education funding has been the Special Projects Act, enacted in the Education Amendments of 1974. Those amendments authorized $15 million each year for career education, of which approximately $10 million has been spent in each fiscal year since the enactment of those amendments.

Non-Federal spending

Projects and programs funded under each of these authorities have varied widely, and few generalizations can be made about successes or failures from the Federal perspective. However, it is important to note that State and local governments have contributed considerable re-

sources of their own in this area. Part C and D funds referred to have been matched on a dollar-for-dollar basis. And many States and LEA's have enacted legislation and/or initiated additional career education programs of their own.

As of the end of fiscal year 1975, for example, OE had cited nine States as having made significant progress in career education. Even a State as small as Arizona had set aside over $22 million of its own education funds for this purpose.

New authorizations

Finally, the Education Amendments of 1976 (Public Law 94-482) contains a new authorization, for fiscal year 1978 only, of $10 million to be used for comprehensive State planning for career education, and for Federal information gathering, storage, and dispensing. Up to $2 million may be set aside for this latter purpose. The balance is to be distributed to the States, with at least $100,000 going to each State and the remainder distributed on the basis of population.

D. ACCOMPLISHMENTS OF CAREER EDUCATION

Approximately $200 million in Federal funds have been utilized in these pilot programs and demonstrations since 1972. Over this time period States and local educational districts have demonstrated a strong interest and commitment to such programs, within the constraints of limited resources.

By 1976, two-thirds of the States had formal career education policies, and 14 had enacted specific legislation for career education; 55 out of 57 States and outlying areas had appointed career education coordinators and in 36 of these States, the career education coordinator was a full-time official supported solely from State and local resources. Very recently, a number of States have gone ahead and drawing out 5-year State plans for the implementation of career education throughout their school systems.

Within limited budgets, States and local districts have averaged per student expenditures of $1.89 per student for career education, according to an Office of Education national survey. But for those States with a formalized career education policy this total rose to $2.71. In these areas, 40 percent of the expenditures for career education were from State funds, 37 percent from local funds, and 22 percent from Federal funds.

This same OE survey determined that in 1975 52 percent of all students in the country were in districts in which nearly all of the students in at least one grade level were involved in career education activities and concluded that career education had permeated all geographic regions equally.

In testimony the committee heard both in Washington, D.C., and in Maine, the committee was impressed with the level of enthusiasm expressed with respect to the past accomplishments and future prospect of career education by teachers, other educational personnel, students, parents, and those from the community at large. This enthusiasm is buttressed by evaluation results which demonstrate that these programs have increased career awareness and skills.

A recent monograph of the Office of Education, titled "A Review of Career Education Evaluation Studies" summarized some of the results obtained thus far in career education programs.

Programs throughout the nation have been found to increase the awareness of students at all grade levels of career opportunities and requirements. For example, in Prince George's County, Md., students at grades 6, 7, 11, and 12 who were enrolled in career education programs demonstrated a significantly higher knowledge of the world of work than these in a control group. Similar results were shown in studies in Monroe, N.C., and Wichita, Kans.

In career decisionmaking skills, a Pima County, Ariz., study found that students with a high exposure to career education were able, in much greater numbers and degree, to recognize and demonstrate decisionmaking skills associated with various occupational roles and could at the same time recognize the degree of responsibility in those jobs. Similar results were obtained in Georgia, Nevada, and New Jersey.

Other evaluations have been similarly positive. A National Institute of Education review of 13 career education evaluations conducted between 1972 and 1974 found that career education promoted work attitudes, occupational information, career maturing and self-concept. A Partners in Career Education study conducted by Dr. Elvis Arterbury showed dramatic results in the State of Vermont. This study found that prior to initiation of a career education program the students affected were below the national norms on all 15 career skill areas included in a work values inventory test. After 1 year in a career education program, these students exceeded national norms in two-thirds of the areas measured. An evaluation of Lincoln County, W. Va. programs found that students in the career education curriculum scored 18 percent higher in occupational awareness tests than their regular curriculum counterparts.

Further, the committee was impressed with recently released results on the Career Intern Program (CIP) funded by the National Institute of Education for the past 3 years as a model project. CIP, developed by the Opportunities Industrialization Corp., established a career education and awareness program in a Philadelphia high school in which a majority of the students chosen to participate came from low-income families and had experienced serious academic problems. After 2 years, 67 percent of the CIP students were either graduated or were attending scsools. Only 13 percent of the control group were in school or graduated. Projects such as CIP which involved cooperation between a community-based organization and a local educational agency should be used as models and encouraged for development by local, State, and Federal governments.

While the direct purpose of career education is to foster these types of skills and abilities, it is also clear that the methods and techniques of career education can have a positive impact on basic educational skills.

The most promising evaluation results indicate a positive relationship between the degree to which career education concepts have been implemented and the performance of students with respect to tests

measuring basic educational skills. A May 1977 Office of Career Education analysis found that of 38 studies reviewed which measured this relationship, half showed a statistically significant relationship, and 16 showed a moderate relationship.

The committee was further impressed by the recent testimony before the Subcommittee on Education, Arts and Humanities by Willard Wirtz, former Secretary of Labor, and chairman of the College Board Advisory Committee which issued the report on the decline in SAT scores. Mr. Wirtz indicated that his committee had found that students who work part time between 6 and 15 hours per week have scored higher and have shown less decline in their scores on the scholastic aptitude test than their colleagues.

While the direct purpose of career education programs is to foster awareness, exploration and decisionmaking skills, it is likely that a heightening of these skills would have a spillover benefit of increasing individual academic motivation and performance. Further, the teaching of basic skills, particularly the three R's, with reference to real world situations, seems to be especially successful among students who have had prior difficulties in these areas. For example, an Indiana State Department of Education study evaluated a career education program for 40 11th grade students with so-called hard-core reading problems. These students evidenced such a dramatic reversal of their attitude about reading that the district involved has subsequently supported the program solely with local funds. The committee does not pretend that career education by itself is a panacea for all educational problems, but finds these results most promising and looks forward to further evaluation.

Based on the demonstration of career education thus far, the public appears to support this new instructional strategy by an overwhelming margin. While no recent national polling has occurred, a 1973 Gallup poll asked whether schools should "give more emphasis to study of trades, professions and businesses to help students decide on a career?" Ninety percent said yes.

E. NEED FOR A MORE EXTENSIVE FEDERAL EFFORT

Despite the positive achievements and experience with the pilot programs funded thus far, and the willingness of a number of States to implement career education on their own, there are a number of factors which indicate the need for further Federal funding of a catalytic, short-term nature.

While 52 percent of the Nation's students are in districts where at least one of the career education goals has been implemented, only 21 percent are in districts where over half of these 15 goals have been implemented, and only 3 percent in districts where all the goals have been implemented. Over 15 million elementary school children have yet to be exposed to career education.

Teachers are in need of inservice training and career education materials. Over half the school districts have some program of staff development but these programs involve only one-fifth of the teachers in such districts, and in 1974 only 8 percent of teachers nationwide had experienced inservice training.

As pointed out in testimony by Mrs. Marion Bagley, Career Education Coordinator for the State of Maine:

> Teachers are ready and anxious to become involved . . . they appreciate that Career Education is the key to helping us better attain the basic goals and purposes of education, but the story I hear throughout the State is, "Where do I find material? How do I infuse the concept into all my subject areas?"

Teacher training educational institutions are in particular need of assistance. Recently only 10 percent had developed a formal policy and less than half offered any sort of inservice training relating to career education. And less than 7 percent of the budgets of these institutions were allotted to career education.

A glaring need for special attention and Federal assistance is that of special student population. The OE survey found that larger districts were 50 percent more likely to have implemented career education than smaller districts the Need of minority groups must be addressed.

The OE survey indicated that only 25 percent of elementary school pupils and 36 percent of high school students are in districts making special provisions for efforts to eliminate sex bias in career education, and only 49 percent wtih respect to the handicapped.

With regard to the special needs of women, the committee heard testimony from Margaret Dunkel, chair of the National Coalition for Women and Girls in Education:

> The latest U.S. Department of Labor report on "The Earnings Gap Between Women and Men," published last October, reported that women in 1974 who worked full time made 57 cents for every dollar earned by men and that the earnings differential was still widening. Women were almost four times as likely as men to be earning between $3,000 and $4,999, and three times as likely to be in the $5,000 to $6,999 category. Fifty-three percent of women but only 18 percent of men earned less than $7,000. Eighty-two percent of working women earned less than $10,000.
>
> The Department of Labor concluded that among the reasons for these disparities in men's and women's income, including discrimination in employment, were two factors related to bias in education and occupational training: women are concentrated in those occupations which are less skilled and in which wages are relatively low, and although women are as well educated as their male counterparts in terms of median years of schooling, there are differences in the kinds of education, training and counseling they receive, which direct them into traditional and low-paying jobs.
>
> "As societal and institutional barriers are broken," the Department of Labor observed, "more women can be employed at the level their skill warrants and they can be afforded wider opportunities to enhance their educational and vocational skills in particular areas for which there is increasing demand. Schools must help provide much needed career guidance and counseling assistance."

Current career education materials require further attention to begin to address these needs on a comprehensive basis. OE survey data show that 58 percent of commercially available career educational material evidenced some race bias, and 75 percent some sex bias. There is very little material available specifically related to the handicapped.

Given all these needs, additional Federal funding of a catalytic, "booster-shot" nature would appear to be necessary and desirable. While some States are prepared to go ahead on their own, and a number of local districts are already involved in implementation, there is a need to provide for a short-time Federal initiative to provide the remaining States and local districts with a portion of the needed start-up funds to achieve implementation.

Further, as discussed elsewhere in this report, the need for post-secondary educational emphasis on career education is acute and growing.

The committee believes that if career education is going to be successful and to be "infused" into each classroom, this policy goal must be implemented at the grass-roots level and ultimately State and local funds, and direction must be relied upon. But then at the same time there is a proper Federal role for providing initial funding for these activities, for coordinating the development of State and local planning, and for evaluating and disseminating the results obtained.

IV. Provisions of the Bill

Declarations.—This legislation includes at the outset a series of congressional declarations which are intended to serve as broad policy goals for the role which career education is intended to fill.

These are stated as "declarations" rather than "findings" in order to emphasize that these goals are more in the nature of future anticipated products flowing from full implementation of career education at every level, rather than as presently realizable in our educational system as we know it.

These declarations include a statement that a major purpose of education is to prepare every individual for a career suitable to that individual's preference. The committee intends that implementation of career education will bring with it an awareness in every student of his or her potential as well as what is required to achieve that potential in terms of training, skills, knowledge and awareness. This process is intended to open up possibilities and to provide the requisite background and skills to fulfill those possibilities.

With this broad purpose, career education should be an integral part of the Nation's educational process which serves as preparation for work. The committee intends that "work" be construed in its broadest sense, to include every field of endeavor and human achievement, both paid and unpaid employment, and volunteer work. But at the same time the committee is most concerned with overcoming the problems inherent in providing each student with the skills and attitudes necessary to cope with the marketplace and to support himself or herself, along with his or her dependents.

The legislation further declares that career education holds promise of improving the quality of education and thereby opening up career

opportunities for all students by relating education to their life aspirations. The committee was most impressed by available indications that career education programs have had, and can continue to have, a positive and desirable influence in fostering basic educational skills. The evidence is far from conclusive at this point, but available data and studies indicate that there is a direct correlation between the degree to which career education concepts have been implemented in specific localities and grade levels, and the achievement on basic educational skills tests administered to such students.

The declarations also encourage all educational institutions and agencies to participate fully in this process.

Purpose.—The purpose of this legislation is to provide Federal financial incentives to states for five years to enable states and local educational agencies to implement career education programs at the elementary and secondary levels. Further, postsecondary, institutions are provided with financial incentives to demonstrate career education at that level.

The legislation is intended to foster the development, implementation, and strengthening of career education programs for individuals to improve their awareness, exploration, decision-making and planning skills about career opportunities, career preparation, and career development. In achieving these goals, reliance is to be placed, and consultation desired with appropriate agencies and organizations and the State and community levels.

The committee notes that this collaboration and consultation with community groups and organizations at the local, State, and Federal levels of government is highly desirable and necessary to achieve these goals. Further, such collaboration has an ancillary benefit the committee views to be important in itself. That is the involvement of all elements of the community in the educational process as a means to insure that this process meets the needs and the expectations of the community, and benefits from the considerable latent talents and skills available. The elements of the community which ought to be involved in this process include but are not limited to business, labor, industry, the professions, and organizations representing the handicapped, women, and older Americans.

The legislation also has as a core purpose the promising of equal opportunity for all individuals in making career choices, through the elimination of bias and stereotyping, with particular attention to the elimination of bias and stereotyping on the basis of race, sex, age, economic status, or handicap.

The committee wishes to emphasize its concern that the elimination of such bias and stereotyping is fundamental to the goal of career education to open opportunities and allow individuals to pursue their career preferences to the extent of their talents and potential abilities, and this goal is to be centrally considered in every activity authorized by this legislation.

Authorizations.—This bill adopts a new approach to a Federal categorical grant program by requiring a mandatory phaseout of Federal funds after 5 years. The authorization levels for elementary and secondary educational institutions are $50 million in fiscal year 1979, $100 million in fiscal year 1980 and 1981, $50 million in fiscal year 1982, and $25 million in fiscal year 1983.

The Federal funds do not peak until fiscal year 1981, since it will require the State and local educational agencies 1 year initially to develop their programs and assess their needs prior to full implementation. Further, 2 years of Federal funds at the maximum $100 million seem desirable in order to provide over the second and third years a full Federal commitment. The decline and phaseout of the Federal funding in fiscal year 1982 and 1983 are consistent with the purpose of the bill to provide for a Federal "booster-shot" to encourage the States and LEA's to implement these programs with their own resources.

Consistent with this structure, increasing amounts of State and local resources are required to match the Federal funds.

Once State and local personnel and teachers are equipped with the concepts of career education, and the elements of the community are involved on an ongoing basis, career education will have been infused into the standard curriculum. Ongoing costs to the States and LEA's should not involve sizable outlays.

The bill also authorizes $15 million per year for postsecondary education demonstration projects. Since over the past 6 years career education has been predominantly demonstrated at elementary and secondary institutions, and correspondingly fewer resources have been devoted to programs at the postsecondary level, the committee concluded that the latter instituions were not as yet ready to move into the implementation stage. But this judgment in no way diminishes the committee's view that career education is vital at every level of education and is particularly necessary at the postsecondary level.

Allotments.—From the sums authorized, 7 percent is reserved for the purpose of administration at the Federal level and for model grants, 1 percent for evaluation, 1 percent for information, and 1 percent for outlying areas.

Unreserved funds are allocated to the States on the basis of the State's population ages 5 to 18, with a $125,00 minimum grant.

States receiving this minimum Federal grant are to be exempted from certain requirements imposed on States receiving more than the minimum. These requirements include the requirements that a designated proportion of funds received by the State be passed through to local educational agencies, and that the State hire specific personnel to administer the program at the State level. The committee, in determining to exempt such States, in no way intended to lessen the applicability of the other requirements of the bill to such States, or to allow them to utilize any funds for purposes not authorized in this legislation. Rather, it was the committee's intention to give the minimum allotment States additional leeway in determining how best to meet their career education needs and drawing up a plan to meet these needs.

Within State Distribution.—The bill requires that in fiscal year 1979 any State receiving Federal funds, except a minimum allotment State, must through not less than 75 percent of the Federal funds it receives to local education agencies (LEA's). In succeeding years not less than 85 percent must be passed through to the LEA's. These provisions are consistent with the committee's view that costs of administration and leadership activities conducted at the State level will necessarily be higher in the first year as the program is first being implemented. At the same time, since the purpose of the bill is to im-

plement career education at the elementary and secondary levels, the maximum amount of funds feasible ought to be made available to the LEA's where grass-roots activity necessarily takes place.

Distribution within the States must also take into account the career education needs of students at nonprofit private educational institutions. Such distribution must provide for effective participation in career education programs by such students on an equitable basis. Fulfilling this responsibility is a joint duty on the part of the State and the LEA, and requires consultation by such officials with the appropriate private school officials.

Applications.—In order to be eligible to receive Federal funds under this bill, a State must submit an annual application through its State Educational Agency. The application must contain nine assurances, as follows:

The State will utilize Federal funds only for purposes permitted by this bill.

The State will make every possible effort to integrate career education concepts into its regular education programs at the elementary and secondary levels.

The State will require LEA's to conduct career education programs throughout all instructional programs and not simply as a part of vocational education.

The SEA will identify all LEA's desiring to participate and will develop a career education plan for the State.

The SEA will comply with the within State distributional requirements.

The Governor or Chief Executive has been notified of the application being submitted.

The State will maintain its prior financial effort for career education programs and will make the required matching payments from non-Federal sources in fiscal years 1970–83.

The SEA will not allocate Federal funds received under this bill within the State solely on the basis of per capita enrollment or on the basis of matching local expenditures, on a uniform percentage basis, or deny funds to LEA's if the LEA's are within a jurisdiction which is making a reasonable tax effort, solely because such LEA is not able to pay that non-Federal share of the costs assisted by this bill.

The SEA will employ necessary personnel to administer the career education program at the State level. All States, except States receiving only the minimum allotment must employ at least one individual as State career education coordinator who has prior experience in the field, and at least one individual who is experienced with respect to problems of bias and stereotyping in the labor market. States are also required, where feasible, given the level of Federal funds received, to employ at least one individual experienced in guidance and counseling.

The committee wishes to draw special attention to certain of these assurances.

First, career education is different from vocational education, and the committee is particularly concerned that career education not be seen as simply an adjunct to a vocational educational program.

Vocational education is an instructional strategy to provide students with one or more skills related to a specific occupational field or trade. Career education is a much broader concept and is intended to primarily to provide all students, regardless of the occupational field they first enter, or ultimately decide upon, with the awareness, decisionmaking, and other job-seeking and job-changing skills they will need to go about this process successfully.

Second, in encouraging the States to require LEA's to conduct career education programs, the committee is cognizant that many States have varied structures regarding the extent to which curriculum decisions and other types of authority are vested in SEA's and which are reserved to LEA's. Some States have highly centralized structures while others depend on virtually all such decisions being made at the local level. The committee in no way intends to override or interfere with each such setup, but rather intends that to the extent practicable the State exercises its best effotrs to foster this outcome.

Third, the committee also is concerned that States not develop overly rigid formulas for the allocation of the Federal funds they receive. The committee is concerned that a within State distributional formula relying strictly on per capita enrollment or requiring local matching expenditures on a uniform basis would likely ignore particular needs and problems of certain areas. Elsewhere in the bill the committee requires that States give due regard in the allocation of funds to the special needs of sparsely populated areas as well as to those areas with high incidence and prevalence of youth unemployment. Additional funds are likely to be needed by such areas, above and beyond any strict population determination, for a number of reasons. Students in sparsely populated areas are likely to have less of an experimental background or knowledge of the variety or extent of occupational opportunities and requirements than their metropolitan, suburban counterparts from areas of very high commercial or industrial activity. This situation can aggravate the economic well-being of the region as a whole, as well as limit the potential and self-satisfaction of the individuals involved.

Moreover, the committee is concerned that within State distribution be carefully devoted to prevent and remedy the despair and apparent hopelessness of many inner city youth who do not have easy access to a wide variety of career models and alternative choices which flow from exposure to such models. Such areas clearly require special assistance.

Fourth, the committee, in requiring a career education coordinator and a bias in stereotyping expert to be employed by States receiving more than the minimum allotment, wishes to emphasize that it views such personnel as a minimum requirement toward the development of a successful program to impact such larger States and to manage competently these resources. The committee, in exempting the States receiving the minimum allotment, does so out of a recognition that these States require a maximum amount of leeway in determining how best to spend their Federal resources. They ought not to be told by Federal law how many employees are necessary to fulfill its requirements. Nonetheless the committee urges such States to seek an individual, or

individuals, embodying the qualities and characteristics specified in the legislation for the larger States.

Further, as specified in the bill, the committee urges States receiving a sufficient amount of additional Federal funds to employ a third individual on a full-time or part-time basis who is experienced with respect to guidance and counseling. Where resources are not sufficient to achieve this, the same qualities ought to be sought in the individuals otherwise hired. The guidance and counseling component is central to the successful implementation of any career education program.

State Plan.—To be eligible for the receipt of Federal funds, each State must, at the time of its fiscal year 1980 application is due, file a State plan in addition. The plan shall set forth the following four elements:

The objectives the State will seek to fulfill by the end of each fiscal year thereafter in implementing the purposes of the bill, with special emphasis on overcoming sex bias and stereotyping,

The methods by which the State will seek to achieve these objectives and specifically how the Federal funds received will be utilized,

The policies and procedures the State will follow to assure equal access to all students,

The proposed criteria by which the Commissioner ought to evaluate the progress made in achieving such objectives.

Subsequent to submission of this plan, the State shall submit amendments as necessary. The State plan is not due until the application for fiscal year 1980 funds is to be submitted in order to allow the State to receive its fiscal year 1979 funds and utilize them with some degree of experimentation before determining its ultimate goals. This is consistent with the scheme of the bill which waits until the second and third fiscal years to authorize the maximum amount of appropriations and to initiate matching fund requirements. The committee has determined to require only subsequent amendments which may become necessary in light of experience, rather than an annual plan, in order to lessen paperwork requirements at both the State and Federal level and to underline its concern that an integrated strategy be determined at the point where the career education program is beginning to be fully implemented.

Use of Funds.—The bill allows, subject to the within State distribution requirements and the model program requirements, for Federal funds to be utilized for a number of purposes by States and LEA's.

The State may use such funds for the following purposes:

Employing additional personnel to administer the career education program,

Providing State leadership for career education directly or by of arrangement with public agencies and private organizations through:

Conducting inservice institutes for educational personnel,

Training local coordinators,

Disseminating career education materials,

Conducting State needs assessments,

Engaging in collaborative relationships with other States, government agencies, and public agencies, along with organizations representing business, labor, industry, the profes-

sions, and the handicapped, minorities, women and older Americans promoting reform of teacher training curricula, and reviewing and revising the State plan.

Local educational agencies may utilize the funds distributed to them in the following activities:

Instilling career education into the classroom,

Developing and implementing comprehensive guidance and counseling placement and followup services,

Developing and implementing collaborative relationships with organizations representing the handicapped, minority groups, women, and with all other elements of the community, including particularly older Americans,

Developing and implementing work experience, if related to potential careers and do not displace other workers performing such work,

Employing and training coordinators,

Providing inservice education for teachers and other educational personnel,

Conducting institutes for members of boards of LEA's, community leaders, and parents,

Purchasing instructional materials,

Establishing resource centers,

Conducting needs assessments and evaluations.

The committee in authorizing such uses at the State and local level notes that the most important goal initially ought to be the retraining of inservice teachers and other personnel with respect to the concepts and goals of career education. If these concepts are to be infused quickly and permanently into every classroom, the teachers already in the field must bear the primary burden and must therefore be the primary focus of attention.

In addition, the collaborative relationships with government and public agencies, with business, labor, the professions, with organizations representing the handicapped, minorities, women, older Americans, and with community leaders and parents ought to receive constant and diligent attention at the State and local level. The committee was most impressed with the wide scope and variety of local experiments with career education, and sees considerable promise in integrating the varied and unique resources available in each community in developing and implementing a career education program. Such involvement can have a synergistic effect, fostering the overall goals of the educational system as a whole by involving these elements of the community more directly in that process.

For example, the committee believes that the voluntary participation of older Americans who have retired from full-time paid occupations ought to be strongly enouraged in career education programs. These individuals have much to offer students in terms of explaining what their prior work was like, what charges they went through in the course of their full-time paid career, and what work they are engaged in, in the course of their retired career.

The involvement of parents in similar activities, or as supervisors of students who are engaged in temporary job experience, or as advisors to teachers in explaining what is involved in particular occupations, is equally desirable. This could do much to increase parental

interest and involvement in their children's education, and thereby lead to a decreased level of alienation between parents and children, and among parents, children, teachers, and schools.

The bill also requires, as discussed elsewhere, that in utilizing Federal funds, the States make payments to LEA's on an equitable basis, but with due regard for the special needs of LEA's serving sparsely populated areas, and areas of high prevalence and incidence of youth unemployment.

To fulfill the within State distributional requirements discussed elsewhere in this report, the State must use such funds to provide for the career education needs of students in private, nonprofit schools. Officials of such schools must be consulted and both the State and the LEA must make arrangements to provide such students with the services otherwise made available to other students.

To achieve this goal, however, the bill requires that at all times title to equipment and materials provided with such funds must remain with a public agency and such agency must administer any funds made available for the needs of such students. The agency may, however, enter into a contractual arrangement with a private entity or corporation to provide these services, provided that corporation is independent of the private school and any religious organization.

Model programs.—The bill atuhorizes the Commissioner to make grants directly to States and LEA's, postsecondary institutions and nonprofit agencies and organizations, from the 5 percent of funds annually reserved for this purpose and for Federal administration, for the support of projects intended to demonstrate the most effective methods and techniques in career education and develop model programs, with particular emphasis on the elimination of bias and stereotyping.

While innovative and experimental efforts are encouraged, these grants may also include ongoing programs previously funded under other legislation.

The committee would encourage such utilization if these programs are of proven effectiveness and otherwise meet the tests of these standards.

Career education information.—In consultation with the other members of the National Occupational Information Coordinating Committee, the Commissioner of Education shall examine the needs of individuals and organizations for occupational information.

Such consultation is intended to build upon the work already begun by the NOICC, which was authorized in the 1976 amendments to The Vocational Education Act and expanded by The Youth Employment and Demonstration Projects Act of 1977. Thus, duplication of existing Federal activities can be avoided and limited funds available can be focused on the highest priority career education information needs.

The Commissioner's examination shall involve consideration of the current activities of the NOICC and the State Occupational Information Coordinating Committees, along with the information activities of the Offices of Education, the National Institute of Education, the Bureau of Labor Statistics, the Employment and Training Administration, and any other Federal agencies as appropriate. Upon completion of such examination the necessary occupational and career information shall be furnished by the Commissioner to interested par-

ties, by the Commissioner either directly or by contract or other arrangements. Further information on exemplary career education programs shall be disseminated in similar fashion.

Evaluation.—The bill requires the Commissioner to conduct a program of evaluation directly or by grant contract or by other arrangement. This evaluation, required on an annual basis, is intended to provide answers to specific questions:

What methods of career education best meet the broad purposes of the bill?

What methods most effectively eliminate bias and stereotyping?

What methods most effectively promote career awareness, exploration, and so on, among students in areas of high unemployment, and in sparsely populated areas?

What methods fulfill all such goals on the most cost-effective basis?

The committee purposefully frames these issues as questions for evaluation, since at this point it is not clear which methods are most likely to be designated as successful pursuant to such an evaluation. Further, since each State and each LEA is encouraged to be innovative and cognizant of local needs, the committee desires any evaluation to be from an open-minded and inquiring perspective.

The committee intends that the Commissioner consult initially and regularly with the Senate Committee on Human Resources and the House Committee on Education and Labor in the design and implementation progress of studies funded by this provision. The committee believes that best evaluation is carried out when collaboration in formulating the questions and phenomena under study is undertaken prior to any direct conduct of such research by the Commissioner or prior to development of grant or content guidelines.

The results of evaluation undertaken in accordance with these directions are required to be transmitted as a specially noted section of the Commissioner's annual report required under the General Educational Provisions Act.

Postsecondary educational demonstration projects.—The bill authorizes the conduct of such projects by postsecondary institutions of higher education, by public agencies, and nonprofit private organizations. Projects may be funded which may have a national significance or be of special value in promoting career education at the postsecondary level, which may best promote guidance at that level to overcome bias and stereotyping, and which promote guidance, placement, and followup services at the postsecondary level.

The committee views career education at the postsecondary level to be fully as important as at the elementary and secondary levels. For those students who pursue postsecondary education, this is the most critical stage for formulating career plans and goals. Further, under the present system, it is clear that many students who attend such institutions have no firm idea of their purposes and objectives. The committee trusts that implementation of career education at the other levels of education will limit this situation in the future, but realizes that career education concepts must also be infused into postsecondary institutions if the overall goals are to be met.

These postsecondary education demonstration projects ought to address the needs of students in all types of institutions of higher educa-

tion: colleges, universities, vocational and technical institutions, and professional schools. Each of these types of schools ought to be encouraged to upgrade their efforts to provide their students with full knowledge of the career opportunities which the educational training is intended to foster. Further, as much as possible, standard curriculum and training activities should be made to relate to the post-school world of work its graduates will likely enter. Again, collaborative relationships with those already in the field can and should play a key role in this endeavor.

During committee consideration, there was discussion of an amendment which would have established another condition for approval of projects by the Commissioner. The suggested condition was that the applicant institution should give assurances of its intent to establish procedures for consultation with local business and labor in the development of demonstration projects. The committee concluded that while such consultation was a laudable objective, it would be unwise to mandate it in the statute.

Nevertheless, the committee believes that in order to strengthen linkages between education and work it is useful to foster to the extent feasible the involvement of business and labor in the formulation of postsecondary educational career demonstration projects. Representatives of business and labor in the area served by the institution can offer an additional perspective on current and anticipated labor market characteristics. Postsecondary institutions planning to carry out career education demonstration projects should make every effort, therefore, to involve a consulting group of business and labor representatives in the project planning and implementation process.

Payments.—The Commissioner must pay to each State which files a satisfactory application and plan the amount of Federal funds to which it is entitled in each year, to carry out the provisions of its application. To be entitled to such funds, however, the State must provide the require non-Federal share of the costs of carrying out its application. In fiscal year 1979, no non-Federal funds are required, beyond the maintenance of prior level of such effort. In fiscal year 1980 and 1981, the State must provide not less than 25 percent of the costs of carrying out its application from non-Federal sources. In fiscal year 1982 this proportion rises to 50 percent, and in fiscal year 1983, to 75 percent.

Thus the State which on the basis of its population is entitled to receive only the minimum allotment of Federal funds in each year would, in order to receive such funds, be required to provide the following levels of non-Federal funds: In fiscal year 1979 only its prior level of effort; in fiscal year 1980 and 1981, not less than $41,666; in fiscal year 1982, not less than $125,000; and in fiscal year 1983, not less than $750,000.

The committee requires non-Federal funds be provided consistent with the overall design of this legislation which calls for an end to Federal involvement after 5 years. In addition, the committee is concerned that other Federal funds not be utilized to leverage funds under this bill, and thereby diminish state commitment and interest. The non-Federal funds provided may be derived from a variety of State and local governmental sources.

Administration.—The Office of Career Education, as created under section 406 of the Education Amendments of 1974, is charged with administering this bill, and must review State plans, applications and reports submitted. It must, as requested, provide technical assistance to the States and territories. It is also required to continue its national leadership role.

These leadership activities ought to include encouraging a national dialogue on career education, providing policy statements on national goals, developing and implementing a national communications network, assisting States and LEA's with evaluation of their programs, and maintaining liaison with national groups, organizations and associations which are involved in improving the relationship between education and work.

Many of these functions and duties are already being performed by the Office of Career Education and the committee has confidence this will continue to be the case.

Similarly, the bill requires the National Council on Career Education to continue to play a strong role in achieving these goals. Its position papers and policy statements have been most helpful in this regard.

The bill alters the makeup of the Council in order to assure representation at this National leadership level of all of the key elements required to make career education work. The number of the representatives on the council is increased to 15, and it is required to be broadly representative of education, particularly guidance and counseling, the arts, humanities, science and the general public. From the general public, representatives of organizations of the handicapped, minority groups, and women are specifically mandated. Further, two slots are reserved for representatives of business and labor respectively. This structure is consistent with the other provisions of the bill.

The bill requires the Office of Education to provide sufficient staff and resources to the Office of Career Education and to the National Council to fulfill these vital duties.

The National Institute of Education is encouraged to continue to carry out its role in career education. Ongoing programs and efforts are in no way intended to be superseded or mitigated by this bill and the Committee views NIE as playing an important complementary role in career education.

The Assistant Secretary for Education is directed to assure cooperation between the Office of Education and NIE to identify research priorities and to disseminate the results of such research. The Committee urges the Commissioner to look to NIE as one key resource in determining the structure of its evaluation, discussed elsewhere in this report.

Definitions.—The bill defines career education, Commissioner, handicapped, local educational agency, State and State educational agency.

Career education, as discussed throughout this report, is defined to mean programs and activities through which educators, counselors, and other individuals, from all elements of the community, seek to improve the awareness of students of all ages of the career opportunities available to them and to improve these students abilities to take advantage of such opportunities. To achieve this overall goal, specific activities

such as those intended to improve career awareness, exploration, and decision-making abilities are particularly desired. Critically important is this effort and in every career education-related activity is the elimination of bias and stereotyping on account of race, sex, age, economic status, or handicap. The Committee reiterates its intention that this purpose is central to every reference to career education within the bill, and to the success of any career education program.

The "Commissioner" is the Commissioner of Education. "Handicapped" means persons with specific learing disabilities or who are mentally retarded, hard of hearing, speech impaired, visually handicapped, seriously emotionally disturbed, or orthopedically impaired, or other health impaired, who by reason of this require special education and related services. Local educational agency and state educational agency are defined to be consistent with the Elementary and Secondary Education Act of 1965. "State" includes the District of Columbia and the Commonwealth of Puerto Rico.

V. Cost Estimate

In accordance with section 252(a) of the Legislative Reorganization Act of 1970 (Public Law 91-510), the Committee, based on information supplied by the Congressional Budget Office, estimates that the 5-year cost resulting from enactment of S. 1328, as reported, would be $23 million in fiscal year 1979, $70 million in fiscal year 1980, $114 million in fiscal year 1981, $103 million in fiscal year 1982, and $63 million in fiscal year 1983.

Congressional Budget Office,
U.S. Congress,
Washington, D.C., October 15, 1977.

Hon. Harrison A. Williams, Jr.,
Chairman, Committee on Human Resources,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: Pursuant to section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for S. 1328, Career Education Incentive Act.

Should the committee so desire, we would be pleased to provide further details on the attached cost estimate.

Sincerely,

Alice M. Rivlin, *Director.*

Congressional Budget Office—Cost Estimate

1. Bill number: S. 1328.
2. Bill title: Career Education Incentive Act.
3. Bill status: Reported from the Senate Committee on Human Resources on September 30, 1977.
4. Bill purpose: This bill provides grants to States to be used as financial incentives to the States, local education agencies, and institutions of postsecondary education to develop, implement, and strengthen career education programs. The bill is subject to subsequent appropriation action.

5. Cost estimate:

[By fiscal years; in millions of dollars]

	1978	1979	1980	1981	1982	1983
Authorization level:						
Grants to States		50	100	100	50	25
Grants for postsecondary demonstration projects		15	15	15	15	15
Total		65	115	115	65	40
Projected total outlays: [1]						
Grants to States		18	58	99	88	48
Grants for postsecondary demonstration projects		5	12	15	15	15
Total		23	70	114	103	63

[1] Outlays assume full program funding.

The costs of this bill fall within budget function 500.

6. Basis for estimate: This estimate is based on the authorization levels stated in S. 1328. The outlay spendout rate for these new programs were assumed to be similar to the other current year funded elementary and secondary education grant programs. Start up times for the new programs were assumed to be minimal as many states already have established channels or programs through which or to which the funds may flow. The outlay estimates assume enactment of this bill prior to October 1, 1978.

7. Estimate comparison: None.

8. Previous CBO estimate: On March 29, 1977, CBO completed a cost estimate on H.R. 7, Elementary and Secondary Career Education Act of 1977. The two bills are similar in purpose. However, H.R. 7 authorizes different funding levels, excludes postsecondary demonstration grants, establishes lower state base allotments, and stipulates the program is to be forward funded.

9. Estimate prepared by: Deborah Kalcevic.

10. Estimate approved by:

C. G. Nuckols
(For James L. Blum,
Assistant Director for Budget Analysis).

IV. Regulatory Impact Evaluation

In accordance with paragraph V of rule XXIX of the Standing Rules of the Senate, the Committee makes the following evaluation of the regulatory impact which would be incurred in carrying out S. 1328.

The basic purposes of the bill are to provide Federal financial incentives to States to implement career education programs at the elementary and secondary school levels, and to provide Federal incentive funds for grants and contracts to demonstrate career education at the postsecondary level.

The bill does not require the regulation of any person, business, or institution.

For elementary and secondary programs, the State is required to submit an annual application to the Commissioner of Education containing a number of specific assurances and stipulations. Further, it is required to draft a one-time state plan setting forth its goals through career education.

For each of these procedures, States and institutions of post-secondary education, public agencies, and nonprofit private groups will have to comply with program regulations.

The States are provided with funds in each year of the program for administrative costs, and the Office of Education is required to provide technical assistance as desired. Further, since the states will ultimately, at the end of five years, be operating such programs with their own resources, the annual applications and state plan will provide a useful self-analysis of needs and goals.

For those applying for postsecondary grants, the procedure involved in filing the application will be compensated since the analysis of proposed uses will be incorporated into the program design. For those unsuccessful in applying for Federal funds, the analysis can still be put to use in reshaping existing programs.

For local educational agencies desiring to receive funds from the state educational agency, the determinations of requirements and regulations will largely be left to the States.

No personal information of any kind is required in the paperwork or regulatory provisions of this bill. Therefore, this bill has no impact on the personal privacy of any individuals involved in these projects.

VII. Votes in Committee

The committee accepted by a vote of 12 to 3 an amendment by Mr. Javits to adjust the minimum State allotment of Federal funds from $250,000 to $125,000 annually. Under the terms of the amendment, States receiving such minimum would not be required to employ designated State administrative personnel or to pass through a specified percentage of funds to local educational agencies.

YEAS	NAYS
Mr. Williams	Mr. Randolph
Mr. Kennedy	Mr. Pell
Mr. Nelson	Mr. Hathaway
Mr. Eagleton	
Mr. Cranston	
Mr. Riegle	
Mr. Javits	
Mr. Schweiker	
Mr. Stafford	
Mr. Hatch	
Mr. Chafee	
Mr. Hayakawa	

The committee accepted by unanimous voice vote an amendment by Mr. Javits to require the Commissioner of Education in consultation with the National Occuptional Information Coordinating Committee to examine career education needs.

The committee accepted by unanimous voice vote a Hathaway amendment incorporating numerous technical and conforming changes.

The committee by unanimous voice vote determined to report the bill favorably.

VIII. Section-by-Section Analysis

Section 1. The title of the Act is the Career Education Incentive Act.

Section 2. This section contains Congressional declarations which include statements that a major purpose of education is to prepare every individual for a career, that career education should be an integral part of the education process, that career education holds promise of improving the quality of education, and that educational institutions should make every effort to fulfill these goals.

Section 3. This section contains the statement of purpose of the Act, which is to provide Federal financial incentives over five years to enable States and local educational agencies and postsecondary institutions to develop, implement and strengthen career education programs in order to improve the awareness, exploration, decisionmaking and planning skills of individuals regarding career opportunities, preparation and development. Further, the purpose of the Act is to promote equal opportunity of all individuals in making career choices through elimination of bias and stereotyping on the basis of race, sex, age, economic status or handicap.

Section 4. This section authorizes appropriations for career education at the kindergarten through 12th grades at the following levels: $50 million for fiscal year 1979, $100 million for fiscal year 1980 and 1981, $50 million for fiscal year 1982, and $25 million for fiscal year 1983.

Section 5. This section distributes the appropriations among the States, for the purpose of their kindergarten through 12th grade career education program on the basis of each State's population of 5 through 18-year-olds, with a minimum grant of $125,000. Five percent of the funds is set aside for administration of the act, and for model programs. One percent is set aside for an information program, 1 percent for outlying areas, and 1 percent for evaluation. States receiving the minimum grant shall not be required to comply with other provisions establishing the ratio of funds to be passed through to local educational agencies, or provisions requiring the hiring of certain staff.

Section 6. This section, in subsection (a), requires that in fiscal year 1979 States, other than minimum allotment States, must pass through not less than 75 percent of the Federal funds received to local educational agencies. In succeeding fiscal years, not less than 86 percent must be passed through.

Subsection (b) requires that each State provide for the participation of students enrolled in private non-profit elementary and secondary schools.

Section 7. This section requires each State desiring to receive Federal funds to apply on an annual basis. Such applications must include assurances that the State will utilize the funds according to the provisions of this act, that career education will be integrated into regular education programs, that such programs will not simply be a part of vocational education, that local educational agencies desiring to expand their career education programs will be identified, that a State plan will be developed, that within State distribution requirements will be met and that the Governor of the State has been notified of the State's application.

The application must also contain assurances that the State will maintain its prior efforts in career education, and that it will provide required non-Federal funds in fiscal year 1980–83 at the stipulated level. The section also stipulates that a State Educational Agency (SEA) will not allocate Federal funds under this Act to Local Educational Agencies (LEA's) strictly on a per capita basis or through a straight matching basis if the LEA's involved are within a jurisdiction making a reasonable tax effort. The section further requires that States (except minimum allotment States) must employ necessary staff including a State coordinator, an antistereotyping expert, and, where feasible, a guidance and counseling expert.

Section 8. This section requires that each State receiving funds file a State plan at the time its application for fiscal year 1980 funds is due. Such plan must set forth the State's objectives over the succeeding four fiscal years to fulfill the purposes of the act, how these objectives will be fulfilled, and how equal access of all students will be assured. Amendments to such plan will be due on an annual basis thereafter as necessary.

Section 9. This section delineates the permissible uses of Federal funds by States under this act.

Subsection (a) sets forth uses including employing state administrative personnel, providing State leadership through activities including conducting inservice training institutes, disseminating materials, conducting statewide evaluation and leadership conferences, collaborating with various elements of the broad community, and modifying teacher training curricula to incorporate career education. The State shall also make required payments for LEA's to instill career education into the classroom, implement comprehensive career guidance and counseling, foster collaborative relationships with various elements of the community, develop and implement work experience programs, employ local coordinators, provide inservice training, conduct institutes for parents, members of school boards and community leaders, purchase materials, establish and operate career education resource centers, and conduct evaluation.

Subsection (b) requires that States make payments to LEA's for designated purposes, and that such payments be made on an equitable basis, with attention to the needs of areas of high unemployment and sparse population.

Subsection (c) requires that, with respect to students at private nonprofit schools, payments be made to LEA's to provide for such students career education needs on an equitable basis, provided that control of such funds remain with a public agency and that services be provided through employees of such agency or by contract through an entity separate and independent from such school.

Section 10. This section authorizes grants to SEA's, LEA's, and postsecondary institutions for model programs in career education, including programs of proven effectiveness.

Section 11. This section requires the Commissioner of Education, in consultation with the National Occupational Information Coordinating Committee to examine career education information needs. Such needs are to be provided either directly or by way of grant, contract, or other arrangement, and such information shall subsequently be disseminated.

Section 12. This section requires a program of evaluation of career education to be conducted by the Commissioner directed toward providing answers to questions including which methods of career education best fulfill the overall purposes of this act, which best address and overcome the bias and stereotyping issues, which best promote career exploration planning and decisionmaking, and which fulfill all such purposes on a most cost-effective basis. The results of such evaluation are to be transmitted with the annual report of the Commissioner.

Section 13. This section authorizes postsecondary educational demonstration projects to institutions of higher education, public agencies and nonprofit organizations. For each fiscal year $15 billion is authorized.

Section 14. This section requires Federal payments to each state otherwise fulfilling the requirements of this Act, and which provides the required share of non-Federal funds in each fiscal year. In fiscal year 1979 no non-Federal funds are required beyond the maintenance of effort. In fiscal year 1980 and 81, 25 percent non-Federal funds required. In fiscal year 1982, 50 percent non-Federal funds, and in fiscal year 1983, 75 percent are required.

Section 15. This section, in subsection (a), provides that the Office of Career Education shall be the Federal administering agent for this Act. Subsection (b) provides for a continuing role for the National Advisory Council on Career Education. Subsection (c) stipulates that the National Institute of Education may continue to be involved in career education, and that the Assistant Secretary for Education will assure cooperation among the entities involved. Subsection (d) requires that the Office of Career Education be provided with sufficient staff. Subsection (e) expand sthe National Advisory Council to fifteen members and requires representation from designated fields and organizations, including representation from groups representing the handicapped, minorities, women, and business and labor.

Section 16. This section defines career education, commissioner, handicapped, local educational agency, state, and state educational agency.

IX. Changes in Existing Law

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Education Amendments of 1974

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TITLE IV—CONSOLIDATION OF CERTAIN EDUCATION PROGRAMS

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CAREER EDUCATION

Sec. 406. (a) * * *

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(g) (1) Subject to part D of the General Education Provisions Act and within ninety days after the enactment of this section, there is established a National Advisory Council for Career Education which shall be composed of—

(A) the Assistant Secretary of Health, Education, and Welfare, for Education, the Commissioner of Education, the Director of the Office of Career Education, the Director of the National Institute of Education, the Administrator of the National Center for Education Statistics, the Director of the National Science Foundation, the Chairman of the National Foundation for the Arts, the Chairman of the National Foundation for the Humanities, the Chairman of the National Advisory Council for Vocational Education, all of whom shall serve in a nonvoting ex officio capacity; and

[(B) not less than twelve public members broadly representative of the fields of education, the arts, the humanities, the sciences, community services, business and industry, and the general public, a majority of whom shall be engaged in education or education-related professions.]

(B) not less than fifteen public members broadly representative of the fields of education, guidance and counselling, the arts, the humanities, the sciences, community services, business and industry, and the general public, including (i) members of organizations of handicapped persons, minority groups knowledgeable with respect to discrimination in employment and stereotyping affecting career choices, and women who are knowledgeable with respect to sex discrimination and stereotyping, and (ii) not less than two members who shall be representative of labor and of business, respectively.

(2) The public members shall be appointed by the Secretary. The Secretary shall select the Chairman from among the public members. The Members shall serve for terms of three years with not more than four seats rotating in any one year. The Commissioner shall provide such staff and funds for the Council as deemed necessary and such staff and funds shall be in addition to those provided elsewhere in this title.

(3) The duties of the Council shall be to advise the Commissioner on the implementation of this section and carry out such advisory functions as it deems appropriate, including reviewing the operation of this section and all other programs of the Division of Education pertaining to the development and implementation of career education, evaluating their effectiveness in meeting the needs of career education throughout the United States, and in determining the need for further legislative remedy in order that all citizens may benefit from the purposes of career education as prescribed in this section.

(4) The Council with the assistance of the Commissioner shall conduct a survey and assessment of the current status of career education **programs, projects, curricula, and materials** in the United States and submit to Congress, not later than November 1, 1975, a report on such survey and assessment. Such report shall include recommendations of the Council for new legislation designed to accomplish the policies and purposes set forth in subsections (a) and (b).

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